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January 25, 2017

Superintendent John McFarlane
Basin School District
PO Box 227
Idaho City, ID 83631

Dear Mr. McFarlane,

On November 16, 2016, State Department of Education (SDE) Coordinators Jennifer Butler and TJ Goodsell conducted an Administrative Review of Basin School District for the following United States Department of Agriculture (USDA) programs:

- National School Lunch Program (NSLP)
- School Breakfast Program (SBP)
- USDA Foods

Idaho City High School was the school site reviewed.

The State agency (SA) would like to commend Cyndi Watson and the entire staff of Basin School District for their hard work operating the school nutrition programs.

Overview

The Richard B. Russell National School Lunch Act, amended by the addition of Section 201 to the Healthy Hunger Free Kids Act of 2010 (HHFKA), requires a unified accountability system designed to ensure that participating school food authorities (SFA) comply with USDA requirements. The objectives of the Administrative Review are to:

- Determine whether the SFA meets program requirements
- Provide technical assistance
- Secure any needed corrective action
- Assess fiscal action and, when applicable, recover improperly paid funds

Review Frequency and Scope of Review

The Healthy Hunger-Free Kids Act mandates State agencies conduct an Administrative Review a minimum of one time during a three-year cycle to evaluate Critical and General Areas of Review, including:

- Performance Standard 1: Meal Access and Reimbursement
- Performance Standard 2: Meal Pattern and Nutritional Quality
- General Areas of Review: Resource Management, Food Safety, Local School Wellness Policy, Smart Snacks, Civil Rights, Buy American, Professional Standards, and other areas of general program compliance

These were the SA determined findings and the SFA response to the findings:

Finding and Corrective Action Plan (CAP)

Finding 1- Certification and Benefit Issuance

Three applications were found to be incomplete. Two applications did not fill in the household total box and one application did not include a case number when indicating participation in an assistance program. During the onsite review, phone calls were made to the three households to obtain the missing information. The two households missing a household total were verified to have a total that matched the number of names listed on the application, resulting in no change in the determination. The household missing the case number advised they would need to call back at a later time with that information. These errors affected 3 applications from the statistical sample resulting in a 2.91% error rate. More information is needed to validate the determination for the application missing a case number. Follow up with the household and add the missing information to the application and upload a copy of the completed application into MyIdahoCNP.

Timeframe for CAP completion: December 7, 2016

SFA Response to CAP: In an attempt to obtain the missing case number, it was learned that the household no longer received assistance. The current income of the household members was added to the application, resulting in no change in issued benefit. The edited application was uploaded on November 18, 2016.

Finding 2- Civil Rights

All foodservice and administration staff, and their supervisors, including the Hearing Official, who interact with program applicants and participants, and conduct program related duties must have annual civil rights training. Please upload into MyIdahoCNP the signed and dated Civil Rights training agenda showing that the Hearing Official and relevant front office staff accepting meal payments have completed training.

Timeframe for CAP completion: December 7, 2016

SFA Response to CAP: A copy of the signed and dated Civil Rights training agenda, showing that the pertinent staff completed the required training, was uploaded on December 7, 2016.

Finding 3- Smart Snacks in School

Per 7 CFR 210.11 *Competitive food service and standards*, all food sold to students during the school day must meet Smart Snack requirements. Schools must meet the minimum requirement in 7 CFR 210.11 for all foods and beverages sold in school to increase consumption of healthful foods during the school day and support a healthy school environment. Snack carts, school stores, and fundraising need to comply with specific nutrition standards. The Special Education Department holds a daily fundraiser for the Life Skills Development Program. While a few products being offered to students between breakfast and lunch meal service are in compliance, the majority of the products, including food and beverages, are not Smart Snack compliant. Please devise a plan and timeframe for making the Special Education Life Skills Snack Carts come into compliance with Smart Snacks regulations. Upload the plan and timeframe into Review Attachments in MyIdahoCNP.

Timeframe for CAP completion: December 7, 2016

SFA Response to CAP: A statement outlining the plan for the Life Skills Snack Cart to use up current inventory and come into compliance with Smart Snack regulations by January 2, 2017, was uploaded on December 5, 2016.

Finding 4- Special Provision Options (Provision 2 Breakfast)

Per USDA memo SP-46-2015 dated September 18, 2015, the SA must review Provision 2 base year certification documents. The SA could not complete the process of validating Provision 2 Base Year 2006-2007 records while onsite, due to some records not being located before reviewing applications for determination validation. The SFA was given a due date of December 16, 2016, to locate and submit records to the SA. Since the required base year records have not been maintained, the SA would generally require the district to immediately return to standard counting and claiming procedures and calculate fiscal action. However, the SA is extending previous USDA guidance and allowing the SFA to continue their claiming procedure until Christmas Break (December 16, 2016). The SFA will need to return to a standard counting and claiming procedure when school resumes in January 2017. If the SFA wishes to participate in Provision 2 Breakfast next school year, they will need to establish a new base year during the next school year (SY 2017-18). Notify the SA prior to December 16, 2016, if the missing base year records have been located. If records are not located, begin standard counting and claiming procedures when school resumes after Christmas Break. By December 16, 2016, upload into MyIdahoCNP the notification letter sent to families advising them of the change with the Provision 2 Breakfast option.

Timeframe for CAP completion: December 16, 2016

SFA Response to CAP: A copy of the letter provided to the households advising of the changes with the breakfast meal was uploaded on December 7, 2016. The SFA advises they plan to conduct a new base year in school year 2017-18.

Commendations

- The naming of the *Wildcat's Café* is in alignment with the Smarter Lunchrooms Movement best practices. The café name and wall mural paintings create a warm and inviting atmosphere.
- Foodservice staff is very friendly and positive with the students.
- The director is very organized and had all necessary documentation readily available for SA reviewers.
- The kitchen and cafeteria were clean and the handwriting on the daily menu posters was nice and clearly legible.
- The self-service breakfast bar offered a wide variety of choices and included great fruit options.
- The Thanksgiving meal served on the day of review was delicious and it was obvious that there was great anticipation for the meal as students and staff both commented on the smells and excitement of a favorite meal.

Technical Assistance (TA)

Certification and Benefit Issuance

- Per the Eligibility Manual, when determining Free and Reduced Applications, income should not be converted unless various income frequencies are reported. Please make use of the Income Eligibility Guidelines chart.
- Incomplete applications should be considered denied until all required information is obtained. Please be aware of the need to follow up with families when applications are submitted if items are incomplete.
- Several applications were determined even though the household total box did not match the names listed on the application, or the household total box was left blank. To be considered complete, an application must include all required information. Any application that is missing required information, contains inconsistent information, or is unclear is considered an incomplete application and should not be processed. The LEA should make reasonable efforts to contact the household in order to obtain or clarify required information.

Verification

- When performing Verification of Free and Reduced Applications, the Confirming Official must review the application and determination made by the Determining Official prior to notifying the household of the need to verify the application. After verification, the Verifying Official (can be either the Confirming or Determining Official) must complete the "For School Use Only" section with signature and date. Verification must be in line with requirements outlined in 7 CFR 245.6a.

Resource Management

- The Point of Service (POS) software utilized by the SFA produced an October claim report in early November that was used to get the totals to enter for the October claim for reimbursement. The SA reviewed this claim report and confirmed the totals matched the October claim totals submitted to the SA. However, the SA discovered that the totals did not match a daily reimbursement report for the month of October that was also reviewed. Upon this discovery, the SA requested that another claim report be run for comparison. The claim report run on November 16 had totals that matched the daily reimbursement report, however did not match the claim report run earlier that month that was used to file the claim. The SFA and SA were not able to identify the reason for the change in the report, but it is believed to be due to a change in a student's benefit occurring between the dates the two reports were run. If the system altered days that the student did not have a particular benefit, this would be out of compliance. The concern was raised that the date for the change was not being captured correctly, was not entered accurately, or the software miscalculates. Based on the two reports, the SFA entered an October claim with figures that could not be validated and was possibly under claimed. Claim reports run on November 16 for August and September were reviewed and matched the claim totals submitted to the SA for those months. The SFA was given direction to follow up with the POS software vendor to answer questions raised about the date benefits are issued as

well as the start date and end dates included in the benefit issuance report that carryover from another system.

- On January 3, 2017, the SFA advised they spoke with the software vendor and the vendor will have their computer programmer add a printable report of student status changes during each month.

Dietary Specifications and Nutrient Analysis

Technical Assistance for Meal Compliance targeted week of review was provided to include:

- Some recipes needed to be updated to reflect serving amount required to meet the meal component requirements (i.e., 3 oz. product equal to 2 oz. m/ma equivalent).
 - Recipes corrected on site.
- Daily offerings on some recipes (such as fruit or vegetable) were not reflecting the same information as the production record and weighed values report (i.e., .5 cups fruit for 9-12 age grade on recipe and production record, but a full cup of fruit was entered on the weighed values report).
 - Recipes were fixed on site and production records will be completed accurately to reflect actual servings offered to students.
- One product (Pizza Ripper) was identified as having a Product Formulation Statement dated 2013 which has crediting information that is inconsistent. The PFS states 1.75368 creditable meats for a 4 oz. portion but claims 4 oz. portion credits as 2 m/ma. Please request a revised PFS from vendor.
- Two of the cereals being offered at breakfast are being credited as 1 oz. grain equivalent, however the Product Formulation Statement provided for Kix Cereal Bowl Pak provides 17 grams, rather than 28 grams, therefore this cereal only credits as 0.5 oz. grain equivalent. To ensure all students are receiving the minimum creditable grain requirement for breakfast, discontinue purchasing this product or use what is still in stock. An adult would have to confirm that the full required grain component of 1 oz. is taken by a student who chooses this item.

Offer versus Serve

- Please train staff on Offer versus Serve (OVS). All staff training should include an agenda, and sign-in sheet and training documentation should be maintained on file at the SFA for three years plus the current year. OVS training is available on the State agency's new online training portal.

Food Safety, Storage, and Buy American

- While food storage temperatures were consistently entered on logs, there is an occasional variation of temperatures outside the identified safe range for the freezer (0-10). There are systemic power outages in the area that can affect the freezers so food service is advised to inspect items in the freezer to ensure defrosting has not begun. Temperature logs should include notations regarding food inspection should an outage occur (CFR210.13(d)).

Afterschool Snack

- The SA was unable to conduct a review of the Afterschool Snack program at Basin Elementary because the program had not yet started for the year. The SFA was reminded

of the requirement to review the Afterschool Snack program sometime during the first four weeks and again before the program ends for the school year.

Local School Wellness Policy

- On July 29, 2016, the USDA Food and Nutrition Service (FNS) finalized regulations to create a framework and guidelines for written wellness policies established by LEAs. (§210.30) The final rule requires LEAs to fully comply with the requirements of the final rule by June 30, 2017. Federal legislation requires school districts to implement a local wellness policy that must include language:
 - Permitting parents, students, school board, PE teachers, school health professionals, school food service staff, administrators, and community members to participate in the development, implementation, review, and update of the local wellness policy.
 - Identifying wellness policy leadership of one or more LEA and/or school official(s) who have the authority and responsibility to ensure each school complies with the wellness policy.
 - Specifying measurable goals for nutrition education, nutrition promotion, physical activity, and other school-based activities to promote student wellness that are written with consideration for evidence-based strategies.
 - Addressing nutrition guidelines for all foods and beverages sold on the school campus during the school day and for providing school meals that adhere to Federal meal pattern requirements.
 - Identifying nutrition standards for non-sold foods and beverages available during classroom and school celebrations.
 - Stating a policy for food and beverage marketing that allows the marketing and advertising of only those foods and beverages that meet Smart Snacks in School nutrition standards.
 - Addressing an evaluation conducted once every three years of the wellness policy and the extent to which schools are in compliance, how the district policy compares to model wellness policies, and the progress made in attaining local wellness policy goals.
 - Identifying a way to share the wellness policy content and implementation with the public.
- For more information regarding local wellness policies, please visit the Idaho SDE Child Nutrition Programs [School Wellness website](#).

Smart Snacks

- The SA provided a copy of "A Guide to Smart Snacks in Schools". Additional Smart Snacks information and resources can be found on the [Smart Snacks website](#).
- Please utilize the [Smart Snack product calculator](#) to determine snack compliance.

Your review is now closed.

At this time there will be no fiscal action. Should you wish to appeal these findings please follow the appeal procedures on the [State Agency Appeal Procedures](#) document.

If you wish to discuss any of these findings, please contact me at (208) 332-6820. Thank you for your support of the Child Nutrition Programs.

Sincerely,



Jennifer Butler, MEd, SNS
NSLP Coordinator

Cc: Colleen Fillmore, PhD, RD, LD, SNS, Director, Child Nutrition Programs
Cyndi Watson, Food Service Director, Basin School District

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